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7 UNITED STATES DISTRICT COURT  
8 WESTERN DISTRICT OF WASHINGTON  
9 AT SEATTLE

10 SECURITIES AND EXCHANGE  
11 COMMISSION,

12 Plaintiff,

13 v.

14 PATH AMERICA, LLC, et al.,

15 Defendants.

CASE NO. C15-1350JLR

SECOND ORDER REGARDING  
FEE APPLICATIONS

16 Before the court are eight fee applications: (1) the second quarterly application for  
17 compensation for Receiver Michael A. Grassmuck's ("the Receiver") immigration  
18 counsel, Baker Donelson, in the amounts of \$18,873.00 in fees and \$5.25 in costs, which  
19 seeks an order authorizing disbursement of 80% of the total requested fees and costs  
20 (Dkt. # 290); (2) the second quarterly application for compensation for the Receiver's  
21 local counsel, Karr Tuttle Campbell, P.S. ("Karr Tuttle"), in the amounts of \$56,672.00 in  
22 fees and \$1,543.80 in costs, which seeks an order authorizing disbursement of 80% of the

1 total requested fees and costs (Dkt # 292); **(3)** the second interim fee application of  
2 Financial Forensics, the Receiver's forensic accountants, in the amounts of \$45,361.00 in  
3 fees and \$489.43 in expenses, which seeks an order authorizing disbursement of 80% of  
4 the requested fees and expenses (Dkt. # 295); **(4)** the second interim fee application of the  
5 Receiver's general counsel, Allen Matkins Leck Gamble Malory & Natsis, LLP ("Allen  
6 Matkins"), in the amounts of \$346,172.85 in fees and \$2,087.20 in costs, which seeks an  
7 order authorizing disbursement of 80% of the requested fees and costs (Dkt. # 297); **(5)**  
8 the second interim fee application of McCullough Hill Leary, PS ("McCullough"), the  
9 Receiver's counsel for the receivership entity Potala Tower Seattle, LLC, in the amount  
10 of \$3,696.50 in fees, which seeks an order authorizing disbursement of 80% of the  
11 requested fees (Dkt. # 299); **(6)** the first interim fee application of Johns Monroe  
12 Mitsunaga Kolouskova PLLC ("JMMK"), counsel for Relief Defendant Potala Village  
13 Kirkland, LLC, in the amounts of \$13,972.50 in fees and \$128.46 in expenses, which  
14 seeks an order authorizing disbursement of 80% of the requested fees and expenses (Dkt.  
15 # 301); **(7)** the second interim fee application of the Receiver in the amounts of  
16 \$104,231.50 in fees and \$3,036.44 in costs, which seeks an order authorizing  
17 disbursement of 80% of the requested fees and costs (Dkt. # 304); and **(8)** the first interim  
18 fee application of Caron Architecture, LLC ("Caron"), contracted architect for Relief  
19 Defendants Potala Shoreline, LLC, and Potala Village Kirkland, LLC, in the amounts of  
20 \$25,688.00 in fees and \$606.62 in expenses, which seeks an order authorizing  
21 disbursement of 80% of the requested fees and expenses (Dkt. # 306).  
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No party has filed an opposition to any of the foregoing fee applications. (*See generally* Dkt.) Plaintiff Securities and Exchange Commission has filed a statement of non-opposition to the fee applications. (SEC Resp. (Dkt. # 329) at 2.)

The court finds that the fees and costs represented in each of the foregoing fee applications are reasonable and necessary, notice of the fee applications was appropriate, the fee applications are in accord with the Order Appointing Receiver (Order (Dkt. # 88) ¶¶ 55-59), and the services provided were of substantial benefit to the estate. Accordingly, the court GRANTS the fee applications listed above (Dkt. ## 290, 292, 295, 297, 299, 301, 304, 306) and APPROVES on an interim basis the following application amounts:

<b>Applicant:</b>	<b>Period:</b>	<b>Fees:</b>	<b>Costs:</b>	<b>Total:</b>
Baker Donelson	January 1, 2016, through March 31, 2016	\$18,873.00	\$5.25	\$18,878.25
Karr Tuttle	January 1, 2016, through March 31, 2016	\$56,672.00	\$1,543.80	\$58,215.80
Financial Forensics	January 1, 2016, through March 31, 2016	\$45,361.00	\$489.43	\$45,850.43
Allen Matkins	January 1, 2016, through March 31, 2016	\$346,172.85	\$2,087.20	\$348,260.05
McCullough	January 1, 2016, through March 31, 2016	\$3,696.50	\$00.00	\$3,696.50
JMMK	December 7, 2015, through March 31, 2015	\$13,972.50	\$128.46	\$14,100.96
Receiver Michael A. Grassmueck	January 1, 2016, through March 31, 2016	\$104,231.50	\$3,036.44	\$107,267.94

<b>Applicant:</b>	<b>Period:</b>	<b>Fees:</b>	<b>Costs:</b>	<b>Total:</b>
Caron	December 1, 2015, through March 31, 2016	\$25,688.00	\$606.62	\$26,294.62

The court further ORDERS that the Receiver is authorized to disburse 80% of the foregoing approved fees and costs at this time to the foregoing respective applicants, as described below:

(1) The court AUTHORIZES the Receiver to disburse \$15,102.60 to Baker

Donelson.

(2) The court AUTHORIZES the Receiver to disburse \$46,572.64 to Karr Tuttle.

(3) The court AUTHORIZES the Receiver to disburse \$36,680.34 to Financial

Forensics.

(4) The court AUTHORIZES the Receiver to disburse \$278,608.04 to Allen

Matkins.

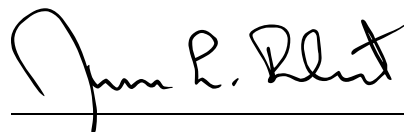
(5) The court AUTHORIZES the Receiver to disburse \$2,957.20 to McCullough.

(6) The court AUTHORIZES the Receiver to disburse \$11,280.77 to JMMK.

(7) The court AUTHORIZES the Receiver to disburse \$85,814.35 to the Receiver.

(8) The court AUTHORIZES the Receiver to disburse \$21,035.70 to Caron.

Dated this 3rd day of June, 2016.



JAMES L. ROBART  
United States District Judge